

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Prospectus¹.
- It is important to read the Prospectus before deciding whether to purchase the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.

NikkoAM-StraitsTrading Asia ex Japan REIT ETF (the “Fund”)

SGX counter name (SGX stock code)²	NikkoAM-STC Asia REIT (primary currency) (stock code: CFA) NikkoAM-STC A_REIT US\$ (secondary currency) (stock code: COI)	SGX-ST Listing Date	29 March 2017
Product Type	Exchange Traded Fund The Units are Excluded Investment Products	Designated Market Makers	Flow Traders Asia Pte. Ltd. and Phillip Securities Pte. Ltd.
Management Company	Nikko Asset Management Asia Limited	Underlying Reference Asset	FTSE EPRA Nareit Asia ex Japan REITS 10% Capped Index
Expense Ratio (for Exchange-traded Funds)	0.60% ³	Traded Currency	SGD and USD
		Board Lot Size	1 Unit

PRODUCT SUITABILITY

WHO IS THE PRODUCT SUITABLE FOR?

- The Fund is only suitable for investors who:
 - seek medium to long-term capital appreciation;
 - believe that the Index will increase in value;
 - are willing and able to accept that their principal will be at risk; and
 - seek an “index-based” approach to investing in a portfolio of REIT or REIT-type securities listed in Asia ex Japan in a cost effective and easy to access manner.

You should consult your financial advisers if in doubt about whether this product is suitable for you.

Further Information

Refer to Section VI of the Prospectus for further information on product suitability.

KEY PRODUCT FEATURES

WHAT ARE YOU INVESTING IN?

- You are investing in an exchange traded fund constituted in Singapore that aims to replicate as closely as possible, before expenses, the performance of the Index.
- The Index is compiled and calculated by FTSE International Limited and aims to access REITs across developed and emerging economies in Asia excluding Australia, New Zealand and Japan. The Index constituents are reviewed on a quarterly basis in March, June, September and December.
- Unlike “actively managed” unit trusts and mutual funds, the Manager does not attempt to outperform the Index nor does it seek temporary defensive positions when markets decline or appear overvalued by some standards.

Refer to Sections I and VI of the Prospectus for further information on features of the product.

The published figures for the value of the

¹ The Prospectus is available for collection at the Manager’s business address at 12 Marina View, #18-02, Asia Square Tower 2, Singapore 018961 during usual business hours or accessible at www.nikkoam.com.sg.

² Subject to change by the SGX-ST from time to time.

³ Audited expense ratio for the financial year ended 30 June 2021. The Manager has reduced the cap on the total expense ratio of the Fund from 0.60% per annum to 0.55% per annum of the Deposited Property with effect from 1 January 2022.

<ul style="list-style-type: none"> Distributions, if any, will be determined by the Manager. The Manager currently intends to make quarterly distributions, less the expenses of the Fund, to Holders around February, May, August and November of each year (or on such fewer or other dates or months in a year as the Manager may determine, with the prior approval of the Trustee). The Manager will decide whether a distribution is to be made based on various factors, including dividend and/or interest income and/or capital gains derived from the investments of the Fund. In addition to distributions to Holders out of distributable income and/or capital gains, the Manager may make distributions to Holders out of the capital of the Deposited Property in accordance with the provisions of the Trust Deed. Where distributions are paid out of capital, the NAV of the Fund will be reduced and this will be reflected in the redemption price of the Units. Holders redeeming their Units may therefore receive an amount less than their initial investment. Such distributions may also result in reduced future returns to Holders. <p>Notwithstanding the foregoing provisions, so long as the Fund is accorded tax transparency treatment by IRAS in respect of distributions received by the Fund from REITs listed on the SGX-ST (“S-REITs”) out of specified income derived by the S-REITs, we shall comply with the Tax Guide and distribute all distributions from S-REITs for any distribution period to Holders by the next distribution date, subject to any other conditions that may be imposed by IRAS in computing the amount of income available for distribution by the Fund.</p> <ul style="list-style-type: none"> The base currency of the Fund is SGD and the Fund will issue Units denominated in SGD. 	<p>Index, a description of the Index methodology and latest information is available at http://www.ftse.com/products/indexes/epa-nareit.</p>
Investment Strategy	
<ul style="list-style-type: none"> The Fund will seek to achieve its investment objective by investing all, or substantially all, of its assets in Index Securities in substantially the same weightings as reflected in the Index (i.e. using a full replication strategy). The Manager may in its absolute discretion also invest the Fund’s assets in non-Index Securities to achieve the Fund’s investment objective. The Manager will rebalance the Fund’s portfolio of investments from time to time to reflect any changes to the composition of, or the weighting of securities in the Index with a view to minimising tracking error of the Fund’s overall returns relative to the performance of the Index. Such rebalancing may be in the form of investments in non-Index Securities. The Fund may engage in securities lending or repurchase transactions in accordance with Annex 1 of the Notice on the Sale of Investment Products (for so long as the Units are EIPs), Appendix 1 of the CIS Code and the CPF Investment Guidelines. 	<p>Refer to Section VI of the Prospectus setting out the description of the investment strategy of the Fund.</p>
Parties Involved	
<p>WHO ARE YOU INVESTING WITH?</p> <ul style="list-style-type: none"> The Manager is Nikko Asset Management Asia Limited. The Trustee is HSBC Institutional Trust Services (Singapore) Limited. The Custodian is The Hongkong and Shanghai Banking Corporation Limited. 	<p>Refer to Sections II and III of the Prospectus for further information on the role and responsibilities of these entities and what happens if they become insolvent.</p>
KEY RISKS	
<p>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</p> <p>You should be aware that the price of Units can go down as well as up. The value of the product and its dividends or coupons may rise or fall. The following are key risk factors that may cause you to lose some or all of your investment:</p>	<p>Refer to Section IX of the Prospectus for further information on</p>

	risks of the product.
Market and Credit Risks	
<ul style="list-style-type: none"> • Units may trade at prices other than NAV <ul style="list-style-type: none"> ○ The secondary market price of Units may sometimes trade above or below the NAV per Unit. This deviation is dependent on various factors but will be accentuated when there is a large imbalance between market supply and demand for Units on the SGX-ST. There is a risk that you may not be able to buy or sell at a price close to the NAV per Unit. • You are exposed to market risk <ul style="list-style-type: none"> ○ The price of securities comprised in the portfolio of the Fund and the Units, and the income from them, may be influenced by political and economic conditions, changes in interest rates, the earnings of the REITs whose securities are comprised in the portfolio and the market's perception of the securities. 	
Liquidity Risks	
<ul style="list-style-type: none"> • You are exposed to liquidity risk <ul style="list-style-type: none"> ○ The extent of market liquidity is dependent on the size and state of the markets and therefore affects the Fund's ability to acquire or dispose of assets at the price and time it so desires. • You should be aware there is a minimum creation and redemption size <ul style="list-style-type: none"> ○ Units will only be issued or redeemed in-kind in Creation Unit or Redemption Unit aggregations (currently 500,000 Units, and multiples thereof) or in cash at a minimum of 50,000 Units by or through Participating Dealers. ○ If you do not hold the minimum redemption number of Units (i.e. 50,000 Units), you will only be able to realise the value of your Units by selling your Units on the SGX-ST at the prevailing trading price of the Units. ○ However, do note that the Participating Dealers are under no obligation to redeem your Units. • Trading in Units on SGX-ST may be suspended or even delisted <ul style="list-style-type: none"> ○ You will not be able to purchase or sell Units on the SGX-ST during any period that the SGX-ST suspends trading in the Units. Subject to the provisions of the CIS Code, the creation and redemption of Units will also be suspended if the trading of Units on the SGX-ST is suspended. ○ The Fund may not be able to continue to meet the requirements necessary to maintain the listing of Units on the SGX-ST. The Fund may be terminated if Units are delisted from the SGX-ST. 	Refer to Sections IX and XIII of the Prospectus for situations in which trading of Units may be suspended.
Product-Specific Risks	
<ul style="list-style-type: none"> • You are exposed to tracking error risk <ul style="list-style-type: none"> ○ Changes in the NAV of the Fund are unlikely to replicate exactly changes in the Index due to various factors. The Fund's returns may therefore deviate from those of the Index. • Risk associated with the investment strategy of the Fund/Lack of discretion by Manager to adapt to market changes <ul style="list-style-type: none"> ○ Unlike "actively managed" unit trusts and mutual funds, in its management of the Fund, the Manager does not attempt to outperform the Index nor does it seek temporary defensive positions when markets decline or appear overvalued by some standards. Accordingly, a fall in the Index may result in a corresponding fall in the NAV of the Fund. <p>You should be aware that your investment in the Fund may be exposed to other risks of an exceptional nature from time to time.</p>	
FEES AND CHARGES	
<p>WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?</p> <p><u>Payable directly by you</u></p> <ul style="list-style-type: none"> • For purchase and sale of Units on the SGX-ST using cash, CPF monies or SRS monies 	Refer to Section VIII of the Prospectus for further

<ul style="list-style-type: none"> ○ If you deal on the SGX-ST, you will typically not bear any costs related to the creation and redemption of Units. However, you will need to pay brokers' commissions, clearing fees and other costs associated with dealing on the SGX-ST. These amounts are subject to your individual agreement with, and are paid directly by you to, your broker, the CDP and your other service providers (including CPF agent banks and SRS operators). ● For subscription and/or redemption of Units in cash by or through Participating Dealers <ul style="list-style-type: none"> ○ Duties and Charges of up to 0.50% of the subscription or redemption amount (as the case may be) will be payable to the Fund. Normal brokerage and other fees apply. Please contact your stockbroker for further details. ● For subscription and/or redemption of Units in-kind by or through Participating Dealers <ul style="list-style-type: none"> ○ Transaction fee for each creation or redemption request is currently S\$2,000 per request (Maximum: S\$5,000 per request). Normal brokerage and other fees apply. Please contact your stockbroker for further details. 	<p>information on fees and charges.</p>
<p><u>Payable by the Fund from invested proceeds</u></p>	
<ul style="list-style-type: none"> ● The Fund will have to pay the following fees and charges to the Manager, Trustee and other parties: 	
<p>Management Fee</p>	<p>Current: 0.50% per annum of the Deposited Property; Maximum: 0.70% per annum of the Deposited Property. The Management Fee is retained by the Manager as the Manager does not pay any trailer fees with respect to the Fund.</p>
<p>Trustee Fee</p>	<p>Current: up to 0.04% per annum of the Deposited Property; Maximum: 0.05% per annum of the Deposited Property. Subject to a minimum fee of S\$15,000 per annum.</p>
<p>Custodian fee</p>	<p>The custodian fee payable is subject to agreement between the Manager and the Custodian and may amount to or exceed 0.10% per annum depending on, amongst others, the size of the Fund and the number of transactions carried out.</p>
<p>Administration fee</p>	<p>Current: up to 0.04% per annum of the Deposited Property; Maximum: 0.05% per annum of the Deposited Property. Subject to a minimum fee of S\$15,000 per annum.</p>
<p>Other Fees and Charges</p>	<p>Other fees and charges, including <i>inter alia</i> registrar fees may each amount to or exceed 0.10% per annum, depending on the proportion that each fee or charge bears to the Deposited Property.</p>
<p>*Based on the audited accounts of the Fund for the year ended 30 June 2021, the transaction costs amounted to approximately 0.13% of the Deposited Property for the year ended 30 June 2021.</p>	
<ul style="list-style-type: none"> ● The Manager has reduced the cap on the total expense ratio of the Fund from 0.60% per annum to 0.55% per annum of the Deposited Property with effect from 1 January 2022. Any fees and expenses that are payable by the Fund and are in excess of 0.55% per annum of the Deposited Property will be borne by the Manager and not the Fund. The total expense ratio for the financial year ended 30 June 2022 was 0.58% (audited) and total expense ratio for the financial period ending 31 Dec 2022 will be capped at 0.55% (unaudited). 	
<p>CONTACT INFORMATION</p>	
<p>HOW DO YOU CONTACT US?</p>	
<p>You may contact our approved distributors listed on our website at www.nikkoam.com.sg or call Nikko Asset Management Asia Limited at 1800 535 8025.</p>	

APPENDIX: GLOSSARY OF TERMS	
CDP	means The Central Depository (Pte) Limited.
CPF	means the Central Provident Fund.
CIS Code	means the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore pursuant to the Securities and Futures Act 2001, as may be amended, modified, or supplemented from time to time by the Monetary Authority of Singapore.
Dealing Day	means any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore and the SGX-ST is open for normal trading (other than a day on which trading on the SGX-ST is scheduled to close prior to its regular weekday closing time) and the Index is compiled and published and/or such other day or days as the Manager may from time to time determine with the approval of the Trustee.
Creation Unit	has the meaning ascribed to it in paragraph 58 of the Prospectus.
Deposited Property	means all the assets (including cash) for the time being held or deemed to be held upon the trusts of the trust deed of the Fund excluding any amount for the time being standing to the credit of the distribution account.
Excluded Investment Products or EIPs	means any capital markets products that belong to a class of capital markets products listed in the Schedule to the Securities and Futures (Capital Markets Products) Regulations 2018.
Holder	means the person for the time being entered in the register (kept and maintained in Singapore by the Trustee in such manner as may be required by applicable law and regulation) as the holder of a Unit and (where the context so admits) persons jointly so entered.
Index	means the FTSE EPRA Nareit Asia ex Japan REITS 10% Capped Index or such other index as the Fund may track from time to time.
Index Securities	means any securities which are for the time being constituent securities of the Index.
IRAS	means the Inland Revenue Authority of Singapore or its successors.
NAV	means net asset value.
Participant Agreement	means an agreement entered into between the Trustee, the Manager, and a Participating Dealer, setting out, inter alia, the arrangements in respect of the issue, redemption and cancellation of Units.
Participating Dealer	means any participant who is a broker or dealer or such other person as may be approved by the Manager and the Trustee and who has entered into a Participant Agreement in form and substance acceptable to the Manager and the Trustee.
prescribed capital markets products	shall have the meaning as set out in the Securities and Futures (Capital Markets Products) Regulations 2018, as the same may be modified, amended or revised from time to time.
Redemption Unit	means a multiple of 500,000 Units or of such other number of Units as may be determined by the Manager from time to time, with the prior approval of the Trustee
REIT	means real estate investment trusts or corporations.
SGD or S\$	means Singapore dollars.
SGX-ST	means the Singapore Exchange Securities Trading Limited or any successor thereto.
SRS	means Supplementary Retirement Scheme.
Tax Guide	means the e-Tax Guide on Income Tax Treatment of Real Estate Investment Trust Exchange-Traded Funds issued by IRAS (as may be amended from time to time).
Units	means units of the Fund.
USD or US\$	means United States dollars.